

DEPARTMENT OF HEALTH SERVICES

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July 3, 2000

TO: All County Welfare Directors
All County Administrative Officers
All County Medi-Cal Program Specialists/Liaisons
All County Public Health Directors
All County Mental Health Directors

Letter No.: 00-37

KAISER PERMANENTE'S STEPS PLAN

Ref.: All County Welfare Directors Letter Nos. 91-57 and 00-32

This letter is to provide information about a Kaiser Permanente Health Plan that may be familiar to some counties. This program is entitled the "Steps Plan" and is similar to the Dues Subsidy program, except that it is for former Kaiser patients who lost health coverage due to certain events such as loss of employment, divorce or death of a spouse, or loss of no-cost Medi-Cal.

If you wish any further information about these services or an application for an individual who is not eligible for no cost Medi-Cal, Medicare, or Managed Risk Medical Insurance Program, please use the Kaiser Website listed at the bottom of the enclosed Internet publication.

If you have any questions, please contact Ms. Margie Buzdas of my staff at (916) 657-0726.

Sincerely,

**ORIGINAL SIGNED BY
RICHARD BRANTINGHAM**

Angeline Mrva, Chief
Medi-Cal Eligibility Branch

Enclosures

Kaiser Permanente Steps Plan

Steps plan

How Steps works

Benefits highlights

Sample rates

Who's eligible

FAQs

[Request an application](#)

Making a plan for your future

Making a plan today can mean you and your family will have quality health care when you need it. Our unique new **Steps Plan** can make it easier. If your income is too high to qualify for federal or state-funded programs, such as Medi-Cal, and you can't afford one of our full-priced plans, our new plan may be just right for you. We created the Steps Plan to give you the opportunity to grow into an affordable health plan.



Find out about our Steps Plan, and if you like what you see, [request an application](#). Steps may be just the right plan for you and your family.



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How the Steps Plan Works

Steps plan

How Steps works

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The Steps Plan allows you to enjoy Kaiser Permanente coverage and start out paying only 20 to 80 percent of the total monthly premium (amount to be paid depends on your family size and income). Then every year, for up to four years, you'll pay a larger portion of the full premium.

By then, we hope you'll be able to afford the full premium of one of our regular plans, should you decide to apply. We think once you receive care year after year with the same health plan, you won't want to go without it again.

Here are some examples of how the Steps Plan works.

YEAR 1	YEAR 2	YEAR 3	YEAR 4
			80%
		60%	
20%	40%		

The Arroyo family qualifies to pay 20 percent of the total premium the first year they join the plan. The second year, they pay 40 percent, the third, 60 percent, and the fourth year, 80 percent. After that, thanks to careful planning and the money they save

with the plan, the Arroyos leave the plan and apply for one of our full-priced plans paying 100 percent of the premium.

YEAR 1	YEAR 2
	80%
40%	

The McClure family qualifies to pay 40 percent of the total premium the first year. The following year, Mr. McClure gets a big raise, so now they qualify to pay 80 percent. The third year, they leave the plan and apply for one of our full-priced plans.

YEAR 1	YEAR 2
	80%
60%	

The Nelson family pays 60 percent the first year, based on their income. The second year, Mrs. Nelson begins to work part-time instead of full-time. Even though the family income goes down that year, the Nelsons still move up to the next plan level and pay 80 percent of the total premium the second year. The third year, they leave the plan and apply for one

of our full-priced plans.

YEAR 1
80%

The Quan family enters the plan at the highest level, qualifying to pay 80 percent of the total premium the first year. The next year, they apply for one of our full-priced plans.

What about your family? See if you're eligible and find out the rates you might pay.

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Steps Plan Benefits Highlights

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2000 Benefits Comparison Chart

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BENEFIT	STEPS PLAN 20 & STEPS PLAN 40	STEPS PLAN 60 & STEPS PLAN 80
Doctor's outpatient office visits (e.g. primary care, pediatric, gynecological, physical therapy and rehabilitation)	\$5 per visit	\$10 per visit
Well-child preventive care visits	No charge	No charge
Scheduled prenatal care	No charge	No charge
Immunizations	No charge	No charge
Hospital care	No charge	No charge
Outpatient care for alcohol or drug dependency treatment	<ul style="list-style-type: none"> \$5 per individual therapy visit \$2 per group therapy visit 	<ul style="list-style-type: none"> \$10 per individual therapy visit \$5 per group therapy visit
Drugs, supplies, and supplements <ul style="list-style-type: none"> Outpatient prescriptions Oral contraceptives Infertility drugs Contraceptive devices 	<ul style="list-style-type: none"> \$5 per prescription up to a 100 day supply \$5 per prescription times the number of months the medication will be effective 50% of the Member Rate \$5 per item 	<ul style="list-style-type: none"> \$10 per prescription up to a 100 day supply \$10 per prescription times the number of months the medication will be effective 50% of the Member Rate \$10 per item
Durable medical equipment	No charge	No charge
Family planning (e.g., outpatient doctor's visits, tubal ligation, vasectomy)	\$5 per visit or procedure	\$10 per visit or procedure
Imaging, lab tests, special procedures <ul style="list-style-type: none"> Inpatient care 	<ul style="list-style-type: none"> No charge \$5 per encounter 	<ul style="list-style-type: none"> No charge \$10 per encounter

• Outpatient care		
Mental health care	• No charge	• No charge
	• \$20 per individual therapy visit	• \$20 per individual therapy visit
• Inpatient care	• \$10 per group therapy (up to 20 individual and/or group therapy visits per calendar year)	• \$10 per group therapy (up to 20 individual and/or group therapy visits per calendar year)
• Outpatient care		
Vision care	• \$5 per visit for eye exams	• \$10 per visit for eye exams
	• No lens or frame allowance benefit	• No lens or frame allowance benefit

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Sample Rates for our Steps Plan

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What Steps Plan level might your family qualify for? What is your monthly premium likely to be? Your specific monthly premium cannot be determined until your application has been processed, but this page can help you get a good estimate.

Look along the left side of the chart below to find your family size. Look across that to find your annual gross income. See which plan is designated for families with your annual gross income. Click on the plan name to find out what premium you can expect.

Please note: Your specific monthly premium cannot be determined until your application has been processed.

Steps Plan Levels

Family Size	Annual Gross Income			
	Steps Plan 20	Steps Plan 40	Steps Plan 6	Steps Plan 8
1	\$8,350 - \$12,525	\$12,526 - \$16,700	\$16,701 - \$20,875	\$20,876 - \$25,0
2	\$11,250 - \$16,875	\$16,876 - \$22,500	\$22,501 - \$28,125	\$28,126 - \$33,7
3	\$14,150 - \$21,225	\$21,226 - \$28,300	\$28,301 - \$35,375	\$35,376 - \$42,4
4	\$17,050 - \$25,575	\$25,576 - \$34,100	\$34,101 - \$42,625	\$42,626 - \$51,1
5	\$19,950 - \$29,925	\$29,926 - \$39,900	\$39,901 - \$49,875	\$49,876 - \$59,8
6	\$22,850 - \$34,275	\$34,276 - \$45,700	\$45,701 - \$57,125	\$57,126 - \$68,5
7	\$27,750 - \$38,625	\$38,626 - \$51,500	\$51,501 - \$64,375	\$64,376 - \$77,2
8	\$28,650 - \$42,975	\$42,976 - \$57,300	\$57,301 - \$71,625	\$71,626 - \$85,9

Ranges shown above are subject to change. Annual Gross Income for families with more than eight members can be slightly higher than amounts shown above.

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Who's Eligible for the Steps Plan

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To be eligible for the Kaiser Permanente Steps Plan, you must be a current or previous Kaiser Permanente member and:

- You must reside within the Kaiser Permanente California service area.
- You must meet our income criteria.
- You must not be eligible for MRMIP, Medicare, or no-cost Medi-Cal.
- You must not be eligible for subsidized coverage through your spouse or employer.



In addition, you must have been a Kaiser Permanente member for six out of the last 12 months before experiencing a qualifying event and you applied for coverage within 12 months of the qualifying event.

A qualifying event is a catastrophic event which causes you to lose your health coverage, such as

- Loss of employment/layoff
- Reduction in employment to part-time hours
- Death of spouse
- Divorce or legal separation
- Loss of no-cost Medi-Cal
- End of membership eligibility in the Access for Infants and Mothers (AIM) Program
- End of COBRA benefits

You may be eligible for the Steps Plan...

if your family size and income fall within one of the following ranges. (These ranges are subject to change.)

If your family has this many members	And your annual income falls between
1	\$8,350 and \$25,050
2	\$11,250 and \$33,750
3	\$14,150 and \$42,450

4	\$17,050 and \$51,050
5	\$19,950 and \$59,850
6	\$22,850 and \$68,550
7	\$25,750 and \$77,250
8	\$28,650 and \$85,950

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Frequently Asked Questions about the Steps Plan

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What are the different Steps Plan levels?

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There are 4 levels to the Steps Plan: 20, 40, 60, and 80. In Steps Plan 20, you pay approximately 20% of the full monthly premium and Kaiser Permanente pays the balance. In Steps Plan 40, you pay approximately 40% of the full monthly premium; in Steps Plans 60 and 80, you pay 60% or 80% and Kaiser Permanente pays the balance.

Your level is determined by your family size and income.

How long can I stay on the Steps Plan?

You are eligible to stay in one Steps Plan level for 12 consecutive months. Membership in the Steps Plan is for a maximum of up to 4 years. Look at some examples to see how this works.

How do I know if I am eligible for the Steps Plan?

You are eligible if you meet the following criteria:

You have been a Kaiser Permanente member for six out of the last 12 months and you have lost your coverage as a result of a qualifying event, such as involuntary job loss, reduction of work hours, death, divorce or legal separation.

AND

You reside in the Kaiser Permanente California service area, you meet the family size and income requirements, and you are not eligible for Medicare, no-cost Medi-Cal, or health care coverage paid in whole or part by your employer or your spouse's employer.

You'll find more information on eligibility in our section called "Who's eligible."

If I disenroll from the Steps Plan, can I re-enroll at a later time?

No.

My children are covered through Medi-Cal but my husband and I are not. Can we apply for the Steps Plan?

Yes.

If my Kaiser Permanente employer group, COBRA, Medicare, or Medi-Cal membership has ended, am I eligible to apply for the Steps Plan?

Yes, provided that you were a member for 6 out of the last 12 months

and that your membership ended due to a qualifying event.

After I apply, when will my membership in the Steps Plan become effective?

Once we receive your completed application and determine that you are eligible, you will receive an acceptance letter within 45 days. Your membership effective date will be indicated in this letter. Please note: Any incomplete forms or missing documents will delay the processing of your application.

After my Steps Plan membership ends, am I automatically eligible for the Personal Advantage Plan?

No. You must go through a Medical Review process before you are determined eligible for Personal Advantage.

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